

Adopted	Rejected
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COMMITTEE REPORT

YES:	15
NO:	5

MR. SPEAKER:

*Your Committee on Ways and Means, to which was referred House Bill 1220, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, line 4, after "14." insert "**Northwest Indiana**".
- 2 Page 3, between lines 31 and 32, begin a new paragraph and insert:
- 3 "SECTION 2. IC 6-2.5-15 IS ADDED TO THE INDIANA CODE
- 4 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 5 JULY 1, 2008]:
- 6 **Chapter 15. North Central Indiana Transportation Tax Area**
- 7 **Sec. 1. As used in this chapter, "board" refers to the board of**
- 8 **trustees of the commuter transportation district.**
- 9 **Sec. 2. As used in this chapter, "bonds" means bonds, notes, or**
- 10 **other evidences of indebtedness issued by the development**
- 11 **authority for the development of a north central Indiana rail**
- 12 **improvement project.**
- 13 **Sec. 3. As used in this chapter, "commuter transportation**

1 district" refers to a commuter transportation district that:

2 (1) is established under IC 8-5-15; and

3 (2) has among its purposes the maintenance, operation, and
4 improvement of passenger service over the Chicago, South
5 Shore, and South Bend Railroad and any extension of that
6 railroad.

7 Sec. 4. As used in this chapter, "covered taxes" means the state
8 gross retail and use taxes imposed under this article.

9 Sec. 5. As used in this chapter, "eligible county" refers to the
10 following:

11 (1) A county having a population of more than two hundred
12 thousand (200,000) but less than three hundred thousand
13 (300,000).

14 (2) A county having a population of more than one hundred
15 ten thousand (110,000) but less than one hundred fifteen
16 thousand (115,000).

17 Sec. 6. As used in this chapter, "north central Indiana rail
18 improvement project" means a commuter transportation district
19 project for any of the following purposes:

20 (1) Improving access to the South Bend airport.

21 (2) Relocating tracks in Michigan City.

22 (3) Signal and catenary projects contained within an eligible
23 county.

24 Sec. 7. (a) The combined territory of the eligible counties is
25 designated as a transportation tax area that is entitled to a monthly
26 allocation of covered taxes in the manner and amount provided by
27 this chapter.

28 (b) Before September 1, 2008, the board shall submit to the
29 department by certified mail a complete list of the following:

30 (1) Employers in the transportation tax area.

31 (2) Street names and the range of street numbers of each
32 street in the transportation tax area.

33 The board shall update the list before July 1 of each year that
34 begins after December 31, 2008.

35 (c) The department may adopt rules under IC 4-22-2 and
36 guidelines to govern the allocation of covered taxes to a
37 transportation tax area.

38 Sec. 8. A transportation tax area designated under section 7 of

1 this chapter expires when the bonds, together with the interest on
 2 the bonds, and interest on unpaid installments of interest, and all
 3 costs and expenses in connection with an action or a proceeding by
 4 or on behalf of the holders, are fully met, paid, and discharged.

5 Sec. 9. The department shall before the tenth day of each month
 6 determine the total amount of covered taxes deposited in the state
 7 general fund under IC 6-2.5-10-1(b)(2) in the previous month that
 8 were:

9 (1) remitted, in the case of the state gross retail tax deposits,
 10 by a retail merchant for retail transactions occurring in an
 11 eligible county; or

12 (2) paid, in the case of the use tax deposits, by a person who
 13 resides or is domiciled in an eligible county.

14 Sec. 10. The amount of the monthly allocation of covered taxes
 15 that a transportation tax area is entitled to receive is equal to:

16 (1) the amount determined under section 9 of this chapter;
 17 multiplied by

18 (2) four and four-tenths percent (4.4%).

19 Sec. 11. (a) All allocations of covered taxes under this chapter
 20 for a transportation tax area shall be made by warrants issued by
 21 the auditor of state to the treasurer of state ordering those
 22 payments to the board on or before the twentieth day of each
 23 month.

24 (b) There is annually appropriated from the state general fund
 25 an amount sufficient to make the allocations required by this
 26 chapter.

27 Sec. 12. The board shall deposit all allocations received under
 28 this chapter in a segregated capital improvement fund that may be
 29 used only for a north central Indiana rail improvement project.

30 Sec. 13. (a) The board shall repay to the state general fund any
 31 amount that is paid to the board under section 11 of this chapter
 32 and used for a purpose other than a north central Indiana rail
 33 improvement project.

34 (b) Any state gross retail and use taxes deposited into the fund
 35 under section 12 of this chapter that remain in the fund when the
 36 transportation tax area expires must be transferred to the
 37 treasurer of state for deposit in the state general fund.

38 Sec. 14. This chapter expires on the earlier of:

1 **(1) December 31 of the calendar year in which the**
2 **transportation tax area expires under section 8 of this**
3 **chapter; or**

4 **(2) December 31, 2043."**

5 Page 6, after line 4, begin a new paragraph and insert:

6 **"SECTION 6. [EFFECTIVE JULY 1, 2008] IC 6-2.5-15, as added**
7 **by this act, applies to retail transactions occurring after June 30,**
8 **2008."**

9 Renumber all SECTIONS consecutively.

(Reference is to HB 1220 as introduced.)

and when so amended that said bill do pass.

Representative Crawford